

5 MAR 1981

MEMORANDUM FOR: Deputy Director for Administration

FROM: James H. McDonald  
Director of Logistics

SUBJECT: Suggestions for More Streamlined/Cost-Effective Operations

1. In response to your request to each office to identify possible areas of operations in our own offices or the Agency which would be conducive to more efficient or cost-effective measures, the following items are submitted:

- a. Closing the DCI Garage.
- b. Capital expenditures for Printing Plant automation.
- c. Consolidation of Agency micrographics facilities.
- d. Copier management consolidation.
- e. Consolidation of multiple office equipment procurement requirements through equipment standardization.

2. In addition to the proposals listed above, initial indications are that it would also be cost effective to consolidate the Agency graphics design operations and to establish a Senior Publications Review Committee to ensure that effective methods and economies are used in the printing of Agency publications. Before these two proposals are recommended for implementation, however, we must undertake a thorough cost-benefit analysis.

3. Attached to this memorandum is a brief narrative description on each of the recommended proposals. I am available to discuss any or all of the proposals at your convenience.



James H. McDonald

Attachments

25X1

OL 1 0834

Consolidate Multiple Office Equipment Procurement  
Requirements Through Equipment Standardization

Background:

During the past year, Procurement Division, OL, has reduced the number of word processing service contracts from 158 to 74 and the number of copier service contracts from 178 to 88. Further cost reductions are possible through equipment standardization. It is estimated that standardization would reduce the annual equipment cost by 10 to 25 percent. Additionally, personnel resources would be saved because of the reduced number of contracts to administer and manage.

Pros:

- Reduced operating cost.
- Reduced personnel requirements for administering and managing the equipment contracts.
- Equipment compatibility.
- Reduced training requirements for operators.
- Reduced supply problems.
- Better service response.

Cons:

- User acceptance.
- User requirements for equipment other than that which is available as an Agency standard.

Impact/Comments:

Because of the estimated savings associated with equipment standardization, Procurement Division is proceeding with the planning for implementation of this proposal.

## Consolidate Agency Graphics Design Operations

### Background:

There are at least nine graphics design facilities located in various components throughout the Agency. These facilities employ in excess of [ ] people. They are used to create and produce briefing and training aids and graphics input for Agency publications. These facilities are becoming more heavily involved in computer graphics, which requires large capital investments for equipment. There has not been a recent study on the consolidation of graphics facilities; therefore, no specific statistics on potential savings are available.

25X1

### Pros:

- Possible position savings through consolidation.
- Elimination of duplication of effort in the design and production of graphics.
- Better equipment utilization of expensive computer graphics equipment.
- Savings of capital investments for duplicate equipment to service multiple facilities.
- Floor space savings by consolidating nine facilities into one.
- Better control over the types and quality of graphics produced for Agency use.

### Cons:

- Customer throughput requirements would have to be placed in priority order and serviced accordingly; i.e., less personal service.
- Separation of physical locations of Agency components would create initial difficulties in providing instant response to requester; e.g., NPIC [ ] and OTE at Chamber of Commerce Building.
- Logistical problems of moving proposed or finished art work between buildings as well as difficulties in connection with requester/artist interface.

25X1

Impact/Comments:

The major impact would be the individual components' resistance to the consolidation effort. Additionally, during an initial phase of consolidation, there would be a disruption of service due to reorganization of physical space, cross-training of personnel, and the natural reluctance to change.

## Reduce Printing Cost Through More Efficient Production of Publications

### Background:

We recommend the establishment of a Publication Review Panel to ensure that effective methods, where appropriate, are used and economy in printing is maintained. In general, the effect of the proposal is to reduce the number of colors on certain publications, to reduce cost of material by eliminating prestige papers and cover stocks, and to modify or combine pages to reduce the number of printing plates required in publications.

### Pros:

- More efficient printing through elimination of unnecessary colors.
- Cost reduction resulting from fewer printing plates.
- Elimination of special cover and paper stocks.
- Improved turnaround for "intelligence" products.
- Firm policy towards printing economy through establishment of panel.

### Cons:

- Reduced quality for public relations material.
- Danger of an overall reduction in quality and appearance of intelligence products where color and presentation are critical; e.g., the President's Daily Brief, the SALT Monitor Report, and the President's Report.

### Impact/Comments:

In general, the intent of the proposal is not to jeopardize the quality of the intelligence product. It is, rather, to eliminate some unnecessary niceties in administrative and public relations support material. Some specific examples include:

- a. Reducing the number of colors in public relations booklets from nine to four or five. (In 1980 22,000 copies were produced.)
- b. Combining the classification statement with title page information to eliminate individual warning statements for some 2,000 publications.

- c. Reaffirming the standard size for publications as 8" x 10 1/2" versus the growing trend to 8 1/2" x 11".
- d. Periodically reviewing publications to ensure that economy is maintained through effective use of color, paper stocks, and use of typesetting (for data compression) when appropriate.

The impact of all of this will produce positive results in terms of better printing management for the entire Agency and more effective utilization of resources for intelligence support rather than administrative.

## Consolidation of Agency Micrographics Facilities

### Background:

There are currently seven organizationally independent groups actively involved in micrographics management or production. Consolidation of these facilities would permit significant supply, space, equipment, and manpower savings. A 1977 study estimated annual savings in excess of \$244,000.

### Pros:

- Reduce personnel.
- Reduce floor space requirements.
- Reduce annual operating cost.
- Promote better equipment utilization of expensive production equipment.
- Eliminate duplication of effort among the components involved.

### Cons:

- Less timely production of some micrographics products.
- Sensitive operations-type material would have to be filmed by DDA employees.
- Individual components would have less control over their materials and micrographics production.
- Additional manpower requirements to wrap and log material to be sent to a central facility.

### Impact/Comments:

There has not been an in-depth study of micrographics consolidation since 1977. It is recommended before any action is undertaken that the proposal be given further study.

## Copier Management Consolidation

### Background:

This is an area conducive to broad savings and more efficient management. Under our present system of budgeting, each component has budgetary and approval authority for their copy machines. The Printing and Photography Division, OL, reviews their requests from a technical standpoint as to the suitability of particular copy machines to do the job as specified by the component. (This does not mean that they will procure the equipment recommended.) This, in turn, has led to the procurement of a wide variety of copiers with little or no centralization of component requirements. While we have been successful on several fronts, such as demonstrating substantial savings can be achieved through purchase as opposed to lease of certain machines, establishing and maintaining a record of every machine, its utilization, and providing a report to each component, we believe there is still room for savings and more effective management.

### Pros:

- Significant reduction in the number of copier/duplicator contracts.
- Reduction in copier/duplicator rental costs.
- Some reduction in the number of individual copier/duplicators.
- Streamlined bill payment procedures.
- More precise alignment of copying equipment requirements.
- Reduction in copier supply inventories.
- Improved maintenance and repair service.
- Improved liaison between the managing component and user.

### Cons:

- Perceived loss of control by users.
- Consolidation of funding would create a large budget item that would be subject to OMB cuts.

### Impact/Comments:

OL has assigned a Presidential Intern to study copier consolidation and make recommendations for improvements. We believe the results of this study will be more acceptable since he has no preconceived ideas or positions on the matter and his bona fides are above question. Pending receipt of his study and recommendations, we are not recommending any further action at this point.



## Capital Expenditures for Printing Plant Automation

### Background:-

25X1 The Office of Logistics Printing and Photography Division (OL/P&PD) has requested \$1.9 million in the FY 83 Program Call for equipment upgrade and automation. These expenditures are necessary to replace obsolete equipment and upgrade existing equipment in order to meet customer demands, improve production throughput time, and automate existing labor-intensive operations. Through automation, P&PD, over the past five years, has been able to reduce its personnel strength by [ ] positions while at the same time doubling its production output. The capital investment listed above will allow this streamlining effort to continue.

### Pros:

- 25X1
- Eliminate a minimum of [ ] positions.
  - Improve production throughput time.
  - Reduce annual supply expenditures in excess of \$80,000.
  - Reduce manpower requirements for maintenance on obsolete equipment.
  - Eliminate outside contract for film processing support (\$15,000 per year).

### Cons:

- Large dollar investment in equipment.

### Impact/Comments:

P&PD's equipment obsolescence is a direct result of dwindling resources over the past five budget years. A one-time outlay of this magnitude will allow P&PD to streamline its operation, reduce personnel, and cut operating cost while at the same time improving production throughput and meeting customer demands.

Limit New Furniture Issues and Procurement

Background:

Logistics Services Division (LSD) reduced their FY 81 furniture budget by \$398,000. There remains \$125,000 in the budget for replacement furniture. It is recommended that we continue to reduce funding for furniture expenditures in the coming years.

Pros:

- Reduce costs.
- Better utilization of existing furniture resources.
- Longer life cycle for furniture.

Cons:

- Inability to service customer requests for new furniture.
- Individual components would fund for new furniture requirements.

Impact/Comments:

This proposal will result in substantial savings over the coming years.

## Increase Use of Sea Shipments

### Background:

Shipments from Agency depots are made in the least expensive transportation mode that is commensurate with the required delivery date imposed by the customer, location and cover of installation, and size of shipment. Military/commercial sea channels are generally the least costly methods of shipment; and, normally, heavy and bulky shipments are made via these modes, as are containerized shipments consisting of an accumulation of small items for the same destination. Currently, shipments of materiel in excess of 1,000 pounds or 100 cubic feet require customer justification.

Despite these efforts to hold down transportation costs, many large shipments are made by MAC or commercial air at the insistence of customers. A prime example is the Office of Communications (OC) SKYLINK systems [REDACTED] which OC insists cannot go by sea because of long delivery times and need for rapid upgrade of communications systems. Another example is the occasional shipment of large volumes of teletype paper to installations that have permitted stocks to become critically low.

We recommend that existing regulations be changed to require that customers pay for premium transportation costs for shipments in excess of 1,000 pounds or 100 cubic feet. Because of the budget cycle, this cannot commence until Fiscal Year 1984 in order to permit offices to provide for these costs.

### Pros:

- Cost savings (one-quarter to one-third the cost of air shipments).

### Cons:

- Slowest shipping mode.
- Risk of unacceptable delays at ports and customs and possibility of inadequate inland shipment facilities.
- Requirement for premium protective packaging.
- Greater susceptibility to damage, loss, and security compromise/tampering.
- Infrequency of vessels.
- Impracticality for relatively small parcels which tend to get lost/stolen.

Impact/Comments:

Although the disadvantages are numerous, they can be more than offset by the savings resulting in shipping via sea channels. An example is the cost of shipping a SKYLINK system by sea at approximately \$8,000 as opposed to an air shipment costing \$25,000. With approximately 15 SKYLINKS to be shipped during each of the next two fiscal years, the savings that could be realized are readily apparent.

25X11 Diversion from air to sea will require concurrence and perhaps better long-range planning on the part of our major customers: i.e., OC, the Office  Previous efforts to get customers to plan ahead have not been fruitful. If they were required to absorb premium transportation costs, however, we would in all probability see a concerted effort in the area of planning so that extra costs could be avoided.

### Eliminate Early Morning and Late Afternoon Shuttles

#### Background:

There are presently four shuttle buses that run between Agency buildings beginning at 0745 hours and terminating at 1800 hours. Elimination of these runs would save both salaries and fuel.

#### Pros:

- Annual savings of \$64,000 in salaries and overtime.
- Small amount of fuel savings.
- Less mileage on buses, thereby reducing maintenance and replacement costs.
- Elimination of the unofficial use of the shuttles to avoid transportation and parking charges.

#### Cons:

- Probable adverse impact on employee morale and efficiency.
- POV mileage claims for transportation to and from early morning and late afternoon meetings.

#### Impact/Comments:

The impact on employee morale and efficiency if this proposal were implemented is unknown; however, it would affect employees' flexibility in scheduling meetings and in attending training sessions at outlying buildings.

Close Executive Dining Room

Background:

The Executive Dining Room, located on the seventh floor of the Headquarters Building, provides luncheon and special reception facilities to Agency SIS officers. It provides a place where senior level executives can quickly eat their lunch and share time with their colleagues.

Pros:

- Eliminate  positions at a salary cost of \$62,755.
- Utilize space for offices or other critical needs.

Cons:

- Eliminates a facility where senior executives can have lunch and securely discuss classified matters.
- Eliminates a facility to host Brookings, Mid-Career, and other senior course luncheons and receptions.
- Eliminates a facility to hold special receptions.

Impact/Comments:

It is felt that senior Agency executives would resist this proposal. Other, less private, areas such as the cafeterias would have to be used for luncheons and receptions. There would probably be less informal information exchange among Agency senior officials.

## Close the DCI Garage

### Background:

The DCI garage area contains 16,860 square feet of floor space in the underground southeast corner of Headquarters Building. There is parking available for the DCI and senior-level (SIS-5 and above) Agency executives. There is a private DCI elevator from the garage to the DCI's office. The garage provides a private entrance for certain foreign and other officials.

### Pros:

- Utilize the space for computer equipment, UPS facilities, map library storage, or other critical space needs.
- Eliminate a guard post.
- Save energy by closing a large outside door.

### Cons:

- No privacy for DCI and DDO sensitive visitors.
- Senior officials lose a "perk" available to many other comparable Government officials.
- High cost of renovation.
- Loss of efficient area to evacuate seriously ill employees via ambulance.

### Impact/Comments:

Senior executives will probably protest the loss of this "perk". Additionally, another method for getting DCI and DDO sensitive visitors into the building will have to be developed.

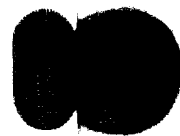
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OK

Future Efficiencies Through Centralization or Elimination of Duplication - Category V

- ~~P&PD~~ 1. Consolidation of micrographics ✓
- ~~P&PD~~ 2. Consolidation of copier management ✓
- ~~PD~~ 3. Standardization of Agency-wide equipment ✓
- ~~P&PD~~ 4. Consolidation of graphics ✓
- ~~SD~~ 5. Consolidation of transportation in OL (vice OL, OD&E, OSO, etc.)
- ~~P&PD~~ 6. Consolidate JPRS in P&PD ✓



Category V

## CATEGORY V

## Future Efficiencies Through Centralization or Elimination of Duplication

<u>Activity Description</u>	<u>Current</u> <u>Positions</u>	<u>\$</u>	<u>Savings</u> <u>Positions</u>	<u>\$</u>
Standardization of Agency-wide Equipment			1	3,000,000 35,000

There is a lack of centralized programmatic planning in the procurement of office equipment and related services. This causes a proliferation of contracts to satisfy the individual needs of many users and mitigates against economy of scale considerations in the acquisition process.

A concentrated effort to increase standardization in the procurement of office equipment and related services could result in acquisition cost savings of approximately \$3 Million and a savings of the equivalent of one man-year of effort.

*Is the 3 million  
Too high?*

*To. Standardization  
word processor  
copier machines  
typewriters  
paper*

*[Redacted] figure*

25X1

*20 million - 10% factor  
Med. Kits*

*Okny per Dan*

SD V

Consolidation of Transportation in Office of Logistics

The Office of Logistics is the primary manager of transportation assets and requirements for the Agency. This includes motor pool operations, truck fleet, and arrangements with military and commercial carriers for the movement of official cargo. There are, however, arrangements made by components outside OL for special airlift missions in connection with ongoing national programs and special projects. These airlift missions are usually not coordinated with OL and do not always utilize the full load capacities of the aircraft. These missions also often operate in the same areas where OL has requirements to move materiel.

Through a centralization of all transportation tasking into the OL, better utilization could be made of available assets with resulting economics in manpower and monies.

## CATEGORY V

## Printing and Photography Division

Activity Description	Current Positions	\$	Savings Positions	\$
Consolidation of Micrographics				25X1
25X1 The proposal for consolidation of micrographic facilities in the Agency is based on the premise that cost reductions could be made in four areas: personnel (positions); floor space (3,941 sq. ft.); equipment (29 pieces); and supplies (\$12,388). It is estimated that operating costs could be reduced by \$230,000-\$260,000 per year.		Unknown		100,000 25X1
Consolidation of Copier Management				
25X1 A recently concluded study on the consolidation of copier management indicates that P&PD could assume responsibility for the program with the addition of two positions to its staffing complement. The cost of the position increase would be more than offset by cost-saving projections of approximately \$250,000 annually in outlying years. The cost reduction would be acquired through equipment bid solicitations, comprehensive planning for equipment placements, equipment sharing, lower cost maintenance contracts, and streamlined certifications for payment of bills.		16,000		0 25X1

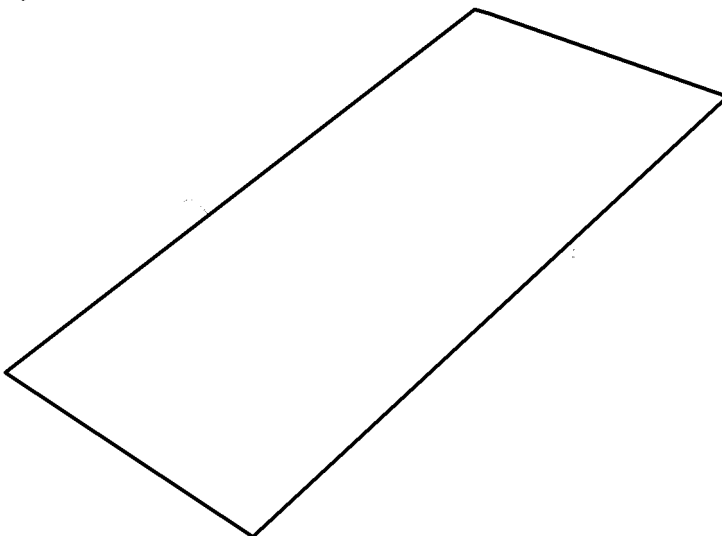
Activity Description	Current Positions	\$	Savings Positions	\$
Consolidation of Graphics				
25X1 There are [redacted] visual information specialists employed in 9 separate graphics shops. Although consolidation may not be feasible in the larger facilities, it is a viable solution for better utilization of manpower and space in 5 shops which employ [redacted] specialists. The number of positions would not be reduced but the potential for better service to Agency customers through consolidation of effort is present.	[redacted]	Unknown	[redacted]	0 25X1

#### Consolidation of JPRS in P&PD

P&PD is receptive to the consolidation of JPRS activities with the Division. The JPRS operation has been observed in the past by P&PD officials and there is a consensus that consolidation would yield greater efficiency. The precise amount of savings possible through the merger could only be determined through an in-depth study of the current situation in JPRS.

Unknown	Unknown	Unknown	Unknown
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Office of Medical ServicesCORE

<u>Activity Description</u>	<u>Positions</u>	<u>Savings</u>
<del>1. Discontinue Dental Program (allows reallocation of Staff Employee .25 man years)</del>	<del>reduction in contractor sessions \$6,000/yr.</del>	<del>\$11,000/yr.</del>
<del>2. Reconstitute Medical Evaluation Program so actual evaluations are given less frequently</del>	<del>Reduction in contractor sessions, TDY to CONUS for staff employees &amp; dependents, and processing time</del>	<del>\$80,000/yr</del>
3. Transfer Overseas Medical Program to Office of Medical Services (enhance efficiency & response time of medical claims & permit reallocation of resources)	None	Cannot estimate at this time
4. Consolidation of all Agency medical related tasks (enhance efficiency, job satisfaction & career opportunities, & permit reallocation of resources)	Cannot estimate at this time	Cannot estimate at this time

PAGE 3

## CATEGORY V

## ELIMINATION OF FUNCTIONS WITHIN THE ORGANIZATION TO SAVE MONEY

## Office of Information Services

Activity Description	Current Positions	\$	Savings Positions	\$
Elimination of Systematic Classification Review (E.O. 12065)				
<p>The value of this effort for the manpower expended and its true contribution to openness in government are questionable. The estimate of savings is based upon: (1) elimination of systematic review for most all records except finished intelligence, (2) continuation of a review program at NARS to protect our information in other agencies' holdings, and consequently (3) an ability to reduce the strength of CRD by 1 branch</p>	<input type="text"/>	1,055,688	<input type="text"/>	264,512
<input type="text"/>				

25X1

25X1

25X1

## CATEGORY V

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE  
OR RESULTING IN IMPROVEMENT IN SERVICE  
(CONTINUED)

## Office of Information Services

Activity Description	Current Positions	\$	Savings Positions	\$
Elimination of Freedom of Information Act				
<p>This activity consists of processing requests received by the Agency under provisions of the Freedom of Information Act (FOIA). The projected savings are based upon the Agency being totally exempted from the FOIA and that the exemption is retroactive to cover requests now pending in initial and appeal processing. The total amount will not be saved since we anticipate that we will still have to process referrals from other agencies, and we will still need to respond to requesters to inform them of the CIA exemption. Additionally, we anticipate that we will still be required to process requests under provisions of E.O. 12065 or any new order containing a mandatory review provision.</p>	<div style="border: 1px solid black; width: 50px; height: 20px; margin: 0 auto;"></div>	1,735,000	<div style="border: 1px solid black; width: 50px; height: 20px; margin: 0 auto;"></div>	1,075,000 <sup>25X1</sup>
<p>The figures <div style="border: 1px solid black; width: 50px; height: 20px; display: inline-block;"></div> and <div style="border: 1px solid black; width: 50px; height: 20px; display: inline-block;"></div> positions are based upon the number of man-hours devoted to the FOIA translated into man-years.</p>				

25X1

05

## OFFICE OF SECURITY

## CORE WORKING GROUP

## CATEGORY V

<u>ACTIVITY DESCRIPTION</u>	<u>CURRENT POSITIONS</u> \$	<u>SAVINGS POSITIONS</u> \$
1. FOIA/PA Regulatory Relief		25X1

\*Represents FY-1981 personnel cost of \$285K plus the projected 4.8 percent cost-of-living raise.

CATEGORY V

REALIGNMENT OR ELIMINATION OF FUNCTIONS

1. Legislative and Regulatory Relief

The Agency and the Intelligence Community should seek relief from the Privacy and Freedom of Information Acts. Within the Office of Security alone, the administration of these acts as they are presently written requires the services of [REDACTED] [REDACTED] at an annual (FY-1981) cost of \$285,000.

25X1  
25X1

## CATEGORY V

FUTURE EFFICIENCIES THROUGH CENTRALIZATION  
OR ELIMINATION OF DUPLICATION

## Office of Data Processing

Activity Description	Current Positions	\$	Savings Positions	\$
Competitive Procurement				
<p>Very substantial discounts have been provided by computer equipment manufacturers in bidding on competitive procurements. Competitive procurement of the equipment for a standard family of word processors for Agency-wide needs will force a runoff between the major suppliers of such equipment. Using the modest 13 percent off of list price obtained by the State Department in their recent procurement and applying it to a typical stand-alone work station, which costs approximately \$10,000, we can anticipate a savings of \$1,300 per installed unit. If the present Agency-wide inventory of 505 word processors were replaced by standard units, a savings of \$656,500 would be effected in cost avoidance as an absolute minimum. A more realistic number of 2,000 units is anticipated for installation during the systems life of the contract. This equates to a savings of \$2,600,000.</p>			0	\$30,600,000

CC

S E C R E T

## OFFICE OF COMMUNICATIONS

CMT V FUTURE EFFICIENCIES THROUGH CENTRALIZATION OR  
ELIMINATION OF DUPLICATION1. COMBINE OC, OLO, <sup>dx</sup> ONE COMMO SUPPORT GROUPS

Presently there are independent Commo support groups assigned to OSO and OS&E. Combining this support with an already existing group in Domestic Networks Division will realize some efficiency and perhaps people saving. A study is recommended.

Current		Savings	
Positions	\$	Positions	\$

S E C R E T

OF

**CATEGORY V**  
 FUTURE EFFICIENCIES THROUGH CENTRALIZATION OR  
 ELIMINATION OF DUPLICATION

ACTIVITY DESCRIPTION	CURRENT		SAVINGS	
	POSITIONS	\$	POSITIONS	\$
25X1 CENTRALIZE TRAVEL ACCOUNTING -				

THE OFFICE OF FINANCE ONLY PROCESSES TRAVEL ACCOUNTINGS FOR DDO COMPONENTS AND COMPONENTS WHICH DO NOT HAVE THEIR OWN TRAVEL AUDIT CAPABILITY. SAVINGS ARE POSSIBLE AND SERVICE CAN BE IMPROVED BY TRANSFERRING ALL PRESENT TRAVEL ACCOUNTING FUNCTIONS AND POSITIONS TO THE OFFICE OF FINANCE. SAVINGS WILL RESULT FROM "ECONOMIES OF SCALE".

**CATEGORY V**

25X1 FUTURE EFFICIENCIES THROUGH CENTRALIZATION OR  
 ELIMINATION OF DUPLICATION

ACTIVITY DESCRIPTION	CURRENT		SAVINGS	
	POSITIONS	\$	POSITIONS	\$
CONSOLIDATION OF ALL FINANCIAL MANAGEMENT IN OF (DECENTRALIZED FINANCE PERSONNEL TO REPORT DIRECTLY TO OF)				

ALTHOUGH ALL FINANCIAL SYSTEMS ARE THE RESPONSIBILITY OF THE OFFICE OF FINANCE, CERTIFICATION AND ACCOUNTING ARE IN LARGE PART DECENTRALIZED TO THE OFFICE AND DIVISION LEVEL PRESENTING A WEAKNESS IN THE DEGREE TO WHICH THIS OFFICE CAN ENFORCE REGULATIONS AND STANDARDS DESIGNED TO PROTECT THE AGENCY AGAINST FRAUD AND WASTE, AND CAN REACT TO SUPPORT OPERATIONS AND OTHER AGENCY PURPOSES IN THE MOST EFFECTIVE AND EFFICIENT MANNER. WITH THE CONSOLIDATION OF THESE FUNCTIONS WITHIN OF, OUR AIM IS TO INTRODUCE A GREATER DEGREE OF CONSISTENCY AND UNIFORMITY AND ALLOW FOR A MORE EFFECTIVE AND TIMELY REACTION TO RESOURCE ALLOCATION/REALLOCATION NEEDS. ALSO, DULY MINDFUL OF NEED-TO-KNOW COMPARTMENTATION SOME FUNCTIONS AND SERVICES PERFORMED COULD BE PHYSICALLY COLOCATED WITHIN THE MAIN OFFICE LEADING TO POSITIONAL SAVINGS FROM "ECONOMIES OF SCALE".

**CATEGORY V**

25X1 FUTURE EFFICIENCIES THROUGH CENTRALIZATION OR  
 ELIMINATION OF DUPLICATION

ACTIVITY DESCRIPTION	CURRENT		SAVINGS	
	POSITIONS	\$	POSITIONS	\$
CENTRALIZATION OF BUDGETING AND MANAGEMENT FOR PERSONAL SERVICES COSTS				

THE OBLIGATIONS FOR PERSONAL SERVICE COSTS ARE PRESENTLY ADMINISTERED BY OFFICES AND DIVISIONS. HOWEVER, ALMOST ALL PERSONAL SERVICE OBLIGATIONS ARE COMPUTER GENERATED BY PERSONNEL ACTIONS AND TIME AND ATTENDANCE REPORTS. CENTRALIZATION OF THESE FUNCTIONS IN OF OR THE COMPTROLLERS OFFICE RELYING ON DATA DERIVED FROM THE AGENCY'S "PERSONNEL" SYSTEMS WOULD IMPROVE PERSONAL SERVICE COST MANAGEMENT, WOULD FREE UP PERSONNEL DOING THESE TASKS IN OFFICES, AND ENABLE OFFICES TO CONCENTRATE ON THE MANAGEMENT OF NON-PERSONAL SERVICE COSTS. ESTIMATED AMOUNT OF SAVINGS MAY BE CONSERVATIVE AS TOTAL WAS BASED ON ESTIMATE OF TIME REQUIRED TO PREPARE THE REQUIRED BUDGET EXERCISES ONLY.

COF: *defined here*





**SECRET**

**CORE - CATEGORY IV**

**FUTURE EFFICIENCIES WITH ADVERSE**

**IMPACT ON SERVICE**

**WARNING NOTICE -  
INTELLIGENCE SOURCES  
AND METHODS INVOLVED**



**2541**

**SECRET**

EXECUTIVE SUMMARY

FUTURE EFFICIENCIES WITH ADVERSE  
IMPACT ON SERVICE

TOTALS

	<u>SAVINGS</u>
Office of Communications	183,000
Office of Logistics	267,316
Office of Security	250,000
Office of Training and Education	264,387
	<hr/>
TOTAL	\$ 964,703

EXECUTIVE SUMMARY

FUTURE EFFICIENCIES WITH ADVERSE  
IMPACT ON SERVICE

Office of Communications

Reduction of Cable Dissemination File	30,000
Eliminate Handwritten Corrections	30,000
Reproduction of Cables at Eight Lines Per Inch	123,000

Office of Logistics

Close the Executive Dining Room	73,316
Increase in Sea Shipments	194,000

Office of Security

Discontinue Short-Term Employee Program	140,000
Additional Guard Force Reductions	110,000

Office of Training and Education

Elimination of Off-Campus Program	53,232
Elimination of Disseminating Information on External Training	31,155
Offer Language Programs on Fixed Schedule	180,000

TAB 5

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

## Office of Communications

Activity Description	Current Positions	\$	Savings Positions	\$
<b>1. Reduction of Cable Dissemination File</b>				
Reduce the cable dissemination file from a two-year file to a 60-day file. This would save approximately \$30,000 per year. Customers would be required to wait a minimum of 24 hours for service.			30,000	25X1
<b>2. Eliminate Handwritten Corrections</b>				
Eliminate all handwriting on cables and telepouches. Offices will be required to retype cables with handwritten corrections. This will save <input type="text"/> positions at an equivalent of \$30,000 per year.			\$30,000	25X1
<b>3. Reproduction of Cables at Eight Lines Per Inch</b>				
Advantages to conversion of the Cable Dissemination System (CDS) reproduction printers to eight lines per inch vice six should result in improved customer service. Based on a Cable Secretariat Branch (CSB) trial during April 1979, service to cable customers was improved because mailroom backlogs were significantly reduced.				25X1

STAT

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

(CONTINUED)

## Office of Communications

Activity Description	Current Positions	\$	Savings Positions	\$
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About 96 percent of all cables processed in CSB now are three pages or less, i.e., requiring reproduction using more than one sheet of paper. Going to eight lines per inch will provide an additional 25 percent print concentration on each cable page. This means that with eight lines per inch, all cable traffic to be reproduced will be two pages or less, i.e., requiring reproduction using only one sheet of paper per cable copy (one sheet cables will also require no stapling or collating prior to slotting). Approximately 95 percent of all cables received for reproducing and processing will be able to be handled using one sheet of paper (front only or front and back).

Given the current traffic volume, some man power and overtime savings will occur. There will also be paper savings.

TAB



**SECRET**

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$	
1. Close the Executive Dining Room (EDR)					25X1

This efficiency entails the closing of that portion of the EDR not involved in the support of the DCI dining facility. Although much of the work in the two dining rooms is shared by almost the entire staff, closing the EDR section only would allow for a possible staff reduction

The EDR was originally established to provide the DCI, DDCI, and senior Agency officials with a facility which was physically secure and serviced by cleared personnel. Members who use the dining room, many of them under cover, can obtain a quick lunch while discussing matters of a classified nature.

Elimination of the EDR would save the Government \$73,316 in FY-1982. Should it close, it would have an impact on the morale of its current members by requiring most of them to patronize the GSI cafeteria on the first floor. The loss of the EDR and its staff would also cause the discontinuance of tray and coffee service and cocktail parties.

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## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

(CONTINUED)

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
2. Increase in Sea Shipments				\$194,000

Over the past several years the ratio of air cargo tonnage to sea cargo tonnage has steadily been increasing. In FY 80, this ratio almost reached a 50/50 balance with 735 tons being shipped by air and 740 shipped by sea. This trend toward increased air shipments has, in effect, caused more money to be spent for transportation charges and less cargo moved per dollar.

A reversal of this trend would most certainly be a potential area for cost savings. However, other factors such as less timely service to customers, an extended supply pipeline, and possibly enlarged storage facilities at overseas locations are factors which must also be considered. In FY 81, approximately 620 tons of cargo have been shipped by air at a cost of \$2,380,000 and 280 tons by sea at a cost of \$198,000. As can be seen from these figures, a diversion of 10 percent of air tonnage to sea shipment would result in a transportation savings of \$194,000.

TAB

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

## Office of Security

Activity Description	Current		Savings		
	Positions	\$	Positions	\$	
1. Discontinue Short-Term Employee Program	<div style="border: 1px solid black; width: 400px; height: 25px;"></div>				25X1

Short-term employee arrangements, such as the Summer Only, Urban League, and various intern programs, require the aggregated efforts of  Office of Security professionals and  clerical employees annually. Approximately \$135,000 in Office of Security (OS) salaries could be saved.

This Office has long had reservations about the host of programs whereby individuals are brought in and exposed to very sensitive operations for a limited period and then returned to their previous workplace. Few, if any, of these initiatives would appear to justify the attendant security risks and the heavy administrative costs, including field investigations, the polygraphs and appraisals. The Summer-Only Program entails the additional disadvantages of exposing relatively immature people to classified information while benefiting the offspring of open employees only.

\*Represents FY-1981 personnel costs plus the projected 4.8 percent cost-of-living raise rounded to the nearest thousand dollars.

**SECRET**

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

(CONTINUED)

## Office of Security

Activity Description	Current Positions	\$	Savings Positions	\$
2. Additional Guard Force Reductions		\$110,000		\$110,000

We have made significant cuts in our guard program without any unacceptable impact on security. There are still some reductions, however, which could be made. For example, the DCI garage requires a post that costs some \$60,000 per annum. The pedestrian tunnel entrance is another luxury requiring guard expenditures of over \$50,000 per year. We have proposed closing those entrances in the past and they have been controversial, to say the least. It is clear, however, there are still some convenience, rather than security-related, guard posts that could be cut.

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TAB

**SECRET****CATEGORY IV****FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES****Office of Training and Education**

Activity Description	Current Positions	\$	Savings Positions	\$
1. Elimination of Off-Campus Program				
Eliminating the Program would save \$45,000 in tuition and registration fees, in addition to the 588 hours required by the Training Officer to administer the Program (\$8,232). Employees would be denied the opportunity to take college courses that are tailored to Agency needs, taught by Agency employees on Agency property (allows freedom of discussion not possible elsewhere), and still receive academic credit. In some cases, employees would have to attend more expensive universities, where a three-credit course could cost \$500.	0	\$53,232	0	\$53,232

2. Elimination of Disseminating Information on External Training

25X1

Eliminating the

with adverse effects. There would be no centralized support for material on external training. Decentralization would result in component duplication of external training material, missed training opportunities by employees, and proliferation of vendor contact points.

**SECRET**

## CATEGORY IV

## FUTURE EFFICIENCIES WITH ADVERSE IMPACT ON SERVICES

(CONTINUED)

## Office of Training and Education

Activity Description	Current Positions	\$	Savings Positions	\$
3. Offer Language Programs on Fixed Schedule				

25X1

The savings proposed are not possible unless students can begin on scheduled starting dates, reasonably sized classes can be formed, and ad hoc requests eliminated. In reality, it is not feasible to offer programs on a fixed schedule. Operational requirements have caused the DO to request enough special or ad hoc classes to necessitate the addition of [redacted] positions for FY 83.

25X1





**SECRET**

CORE - CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE

IMPACT ON SERVICE OR RESULTING

IN IMPROVEMENTS IN SERVICE

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EXECUTIVE SUMMARY

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE  
OR RESULTING IN IMPROVEMENTS IN SERVICE

TOTALS

SAVINGS

Office of Information Services	\$ 671,025
Office of Medical Services	11,000
Office of Finance	1,138,000
Office of Logistics	3,515,000
Office of Data Processing	242,000
Office of Security	848,000
Office of Training and Education	45,000
	<hr/>
TOTAL	\$ 6,470,025

## EXECUTIVE SUMMARY

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE  
OR RESULTING IN IMPROVEMENTS IN SERVICEOffice of Information Services

Abolish the AWP and the EOP in the PAR	\$671,025
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Office of Medical Services

Discontinue Dental Program	11,000
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Office of Finance

Electronic Fund Transfer for Covert Personnel and Self-Mailers for Statements	104,000
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Absorption of New Pay Cases	34,000
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STAT

Automate Travel Accountings

Computer-Aided Instruction

Office of Logistics

Increase Competitive Procurement	3,000,000
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Control and Limit Year-End Funding	100,000
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Remote Information Media Centers

Establishment of a Regional Logistics Support Activity	[ ]
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Increase the Use of Suggestion Awards	415,000
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Prepare Logistics Support Annexes for Contracts and Projects with Budgeted Cost Exceeding \$250,000	
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25X1

# EXECUTIVE SUMMARY

## FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING IN IMPROVEMENTS IN SERVICE

### Office of Data Processing

Relief from Word Processing Regulations	\$ 114,000
Component Budgeting of Terminals	75,000
Reduction in Cost of Output Products	53,000

### Office of Security

"Blue Blazer" Protective Force	135,000
SANCA Reprogramming	30,000
Eliminate Keypunch Activity	20,000
Discontinue Communications Link	15,000
Personnel Security Initiatives	573,000
Up-Front Polygraph	75,000

### Office of Training and Education

25X1

Putting Most Checking and Savings Account Funds for <span style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></span> into Bonds	18,000
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25X1

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## SECRET

## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

## Office of Information Services

Activity Description	Current Positions	\$	Savings Positions	\$
Abolish the AWP and the EOP in the PAR.			None	671,025

The value of the AWP is questioned, except for special cases, and the EOP is seen as redundant to the PAR narrative. Savings are estimated on the basis of: (1) the quantity of PARs submitted per annum, (2) the average supervisory grade (GS-12.78) and wage per hour (\$14.79), (3) the average time required to prepare the AWP (2 hours) and EOP (1 hour), (4) the average clerical grade (GS-06) and wage per hour (\$6.57), (5) the average time required to type the AWP and EOP (1/2 hour each), (6) the quantity of printed forms consumed, (7) the cost of the printed form per page (1.5 cents each), (8) the quantity of copies (pages) produced at 3 copies each, and (9) the cost of each copied page (.03 cents).

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## CATEGORY III

**FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

## Office of Medical Services

Activity Description	Current Positions	\$	Savings Positions	\$
Discontinue Dental Program	0	11,000	0	\$11,000

In FY 1981, the Dental Program was implemented. During its genesis, the program was felt to be an excellent service for dependents, and one which could potentially diminish dental problems overseas. Unfortunately, the hope for the success of this program has not come to fruition. It has been poorly received by dependents and, at this point, it is a nonproductive program. It is, therefore, proposed that this service be eliminated. Savings would amount to circa \$11,000 per year and permit a reallocation of human resources.

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

## Office of Medical Services

Activity Description	Current		Savings	
	Positions	\$	Positions	\$
Discontinue Dental Program	0	11,000	0	11,000

The Dental Program was implemented in 1981 as a pilot study to determine if a limited dental service would diminish dental problems overseas and would be helpful for dependents. Most dependents are concerned with dental care and go to their own dentist prior to an overseas assignment especially those who have been found to have significant dental problems. Since the program was initiated with limited funding, a dentist is available only on Friday, therefore dependents examined on other days must return for another visit. Consequently the program has been poorly received. Since the program is only a pilot study for dependents and since providing a dentist daily (at an additional cost of \$25,000 per year) would not appear to add significantly to its utility, it is proposed that this program be eliminated. Savings would amount to circa \$11,000 per year and permit reallocation of human resources.

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
6. Prepare Logistics Support Annexes for Contracts and Projects With Budgeted Cost Exceeding \$250,000 (This would equally apply to other support elements)			Unknown	Unknown

Contracts and projects costing over \$100,000 usually include requirements for logistics support-- facility planning, acquisition and preparation, procurement of operational and support material and services, and materials handling and movement. In the absence of any formal procedure to identify and plan for the requirements early in the contract/project cycle, the Office of Logistics (OL) frequently learns of the requirements only when needs are immediate. Forced into an essentially reactive mode, OL is unable to rationally develop and propose alternate solutions, take advantage of cost reducing techniques, or fully respond to the basic requirement or deadline.

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## CATEGORY III

**FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

## Office of Finance

Activity Description		Current Positions	\$	Savings Positions	\$
	1. Electronic Fund Transfer for Covert Personnel and Self- Mailers for Statements				25X1
STAT STAT	Of [redacted] biweekly salary payments, [redacted] checks are sent to offices, [redacted] are mailed to banks, and [redacted] are deposited via Electronic Fund Transfer. All but the last method are time consuming, labor intensive and, at least for the second method, not compatible with cover. Current costs include equipment, \$1,000; finance processing, \$16,000; component processing, \$7,500; and lost time (payday banking) \$174,000.				
	2. Absorption of New Pay Cases				25X1
STAT STAT	The Agency Budget projects an increase of roughly [redacted] employees over fiscal years 1981, 1982, and 1983. During this same period CIARDS annuitants should increase by approximately [redacted] This will create [redacted] new pay cases, or an increase of about 10 percent [redacted]				* 25X1
25X1					

\*Estimates only 50 percent savings in lost time.

\*\*Cost avoidance.

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**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

## Office of Finance

Activity Description	Current Positions	\$	Savings Positions	\$
processed in December of 1980. We believe this increase can be absorbed by the Compensation Division provided that continuing improvements in the automated payroll can be promptly serviced by the Office of Data Processing, that new requirements which cannot be automated are held to an absolute minimum, and that the Office of Finance (O/FIN) remains fully staffed over the three year period. The estimated cost avoidance from this absorption is \$34,000 in FY-1981, \$72,000 in FY-1982, and \$103,000 in FY-1983. These figures are estimates of personal service costs avoided by productivity increases. They are not adjusted for annual inflation.				

25X11

\*To U.S. Treasury, not to CIA.

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**SECRET**

**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

**Office of Finance**

25X1

Activity Description	Current Positions	\$	Savings Positions	\$
4. Automate Travel Accountings	<input type="checkbox"/>	\$396,000	Unknown	Unknown
25X1 There are approximately <input type="checkbox"/> Agency-wide people devoted to the audit of travel accounting; additionally, other personnel time is devoted to travel disbursements. The O/FIN is in the earliest stages of investigating the feasibility of automating all or a part of this process. It is anticipated that an automated process would require fewer people and provide needed accuracy.				25X1

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## CATEGORY III

### FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING IN IMPROVEMENTS IN SERVICE

(CONTINUED)

#### Office of Finance

Activity Description	Current Positions	\$	Savings Positions	\$
5. Computer-Aided Instruction	Unknown	Unknown	Unknown	Unknown

The O/FIN has a number of positions for which personnel can be trained by computer-assisted instruction. There are other finance functions outside this Office which could benefit from such training. Our Office is not manned or equipped to develop all of the training courses of this type which could be useful. Development and use of such courses would do much to improve productivity throughout the Office of Finance and would also contribute to more efficient and effective financial management throughout the Agency. Additional resources would probably be required by OTE and possibly ODP.

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CATEGORY III

**FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
1. Increase Competitive Procurement				\$3,000,000 <sup>25X1</sup>

The Public Law has historically required that Government purchases of goods and services be accomplished using full and free competition to the maximum extent practicable. Offering all qualified firms the opportunity to compete helps to minimize favoritism and collusion and provides assurance that acceptable products and services are obtained at the lowest prices. In many cases, lack of adequate planning or lack of personnel resources do not permit competitive procurement.

There is no empirical data readily available to quantify cost savings from increasing competitive procurement activity. We believe a cost savings of \$3,000,000 could be achieved. We believe that additional effort would be required to process more competitive procurement actions. The equivalent of [ ] additional positions have been used to reflect this additional effort.

25X1

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
2. Control and Limit Year-End Funding (to preclude fund "dumping")				\$100,000

The contracting process is a convenient tool used to obligate funds whose availability for obligation will lapse at the end of the fiscal year. In recent years, the Office of Management and Budget has issued an annual directive to agencies of the Federal Government which limits the amount of funds which can be obligated in the last quarter of the fiscal year. It is recognized that there are inefficiencies in entering into contracts on a crash basis with inadequate lead time to perform the necessary analysis for proper contracting. The "dumping" of funds at the end of the fiscal year is a practice which should be curtailed to the maximum extent practicable.

It is difficult, if not impossible, to assign a dollar savings if this practice is curtailed, but we estimate that at least \$100,000 annually would be realized through tighter administrative controls.

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**SECRET**

**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

**Office of Logistics**

Activity Description	Current*		Savings*	
	Positions	\$	Positions	\$
3. Remote Information Media Centers	0	0	Unknown	Unknown

This activity would provide the resources necessary to extend the benefits of electronics-based text creation, processing and distribution to a greater population of users, especially those outside of the Headquarters building. High speed/quality printers, plotters, optical character readers, graphics terminals, and Computer Output Microfilm (COM) recorders would be located in the outlying Agency buildings. These devices would be interfaced to the central ODP facilities such that they would become an integral part of the growing interconnected network between Agency components and locations. This will eventually enable users of ODP, OC, and OL/Printing and Photography Division services to route their output to common media centers located closer to their work. This effort would gradually extend information input and output services to remote sites such that all users would benefit from the information network supported by the ODP central system.

\*The efficiencies/impact of this proposal is unknown at this time. There is an ongoing joint OC, ODP, and OL study on the establishment of a pilot center in the [ ] which will determine the feasibility and resource impact of the proposal.

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Logistics

	Activity Description	Current Positions	\$	Savings Positions	\$	
25X1	4. Establishment of a Regional Logistics Support Activity in [redacted]	[redacted]		Unable to Identify		25X1
25X1 25X1	Establishment of a Regional Logistics Support Activity in [redacted] would improve response time for DO operational and administrative requirements.					

While a Logistics Support Activity would improve our reaction time, we should also realize a significant reduction in the number of requirements levied on Special Purchases Branch. There should also be a corresponding reduction in transportation charges and packing requirements at the [redacted]. The negative aspect that must be considered is the extreme high cost of housing should an additional person be required.

\*Primary function of incumbents is Station support and housing.

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**SECRET**

## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
<p>25X11 A similar regional support activity exists [ ] and has resulted in both expansion of the procurement activity that can be offered customers as well as increasing the sophistication of contract actions. This concept greatly reduces first destination transportation costs and offers a storage and transshipment service to major customers in the geographical area.</p>				
5. Increase the Use of Suggestion Awards	0	\$207,807	0	\$415,000

In FY 80, Agency employees were awarded \$33,210 in the Agency-wide Suggestion Awards Program. This amount was divided among 122 separate suggestions with the average award being in the amount of \$272. The first year tangible savings to the Agency were \$207,807.

It is reasonable to assume that the above figures could conceivably increase with an increased emphasis on the Agency-wide Suggestion Awards Program.

## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

## Office of Logistics

Activity Description	Current Positions	\$	Savings Positions	\$
A requirement to formally consider the logistical implications of major efforts will (1) increase the effectiveness of all facets of logistics support, (2) facilitate development of more accurate (realistic) program schedules, (3) potentially reduce program cost through the use of competitive techniques, and (4) permit more rational allocation of OL financial and personnel resources.				

**TAB**



**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE****Office of Data Processing**

Activity Description	Current Positions	\$	Savings Positions	\$
1. Relief From Word Processing Regulations				25X1
<p>Advancing technology in the word processing equipment (WPE) field has increasingly blurred the distinction between WPE and automatic data processing equipment (ADPE). In 1980, General Services Administration (GSA) recognized this and reclassified WPE as ADPE for management purposes. However, GSA requires that the determination of need for WPE be governed by rules promulgated by the National Archives and Records Services Administration (NARS) which require that WPE be justified as a typewriter replacement on the basis of savings in typing time. Our view is that this approach is technologically out of date and does not recognize that WPE ideally is used as part of an integrated office automation network. Use of WPE is, in fact, a method for capturing keystrokes, which is the first</p>				

\*Annual Savings

**SECRET**

**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

**Office of Data Processing**

Activity Description	Current Positions	\$	Savings Positions	\$
<p>step in automated information resources management. The current NARS procedures take a much narrower, frankly old-fashioned view. Currently, ODP has <input type="checkbox"/> personnel engaged in the performance of NARS justification studies. If WPE were treated as ADPE, without regard for NARS procedures, these personnel could largely be redirected to office automation studies. WPE would then be justified on the basis of the overall benefits to be derived from attaching an additional work station to the office automation network and not exclusively for its value as a typewriter replacement. In April 1981, we requested that GSA grant CIA authority to treat WPE as falling exclusively within the existing CIA delegation of procurement authority for ADPE.</p>				

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**SECRET**

## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Data Processing

Activity Description	Current Positions	\$	Savings Positions	\$
<b>2. Component Budgeting of Terminals</b>				
Currently ODP budgets for terminals connected to its central services (both new terminals and replacements). If components were forced to budget, presumably justifications would be more closely scrutinized by component managers. An annual savings of \$75,000 could be realized in the ODP budget as a result.	0	\$75,000*	0	\$75,000*
<b>3. Reduction in Cost of Output Products</b>				
The Production Control Branch (PCB) of ODP annually produces approximately 4,234,900 pages of screenline (continuous form) and 9,251,000 pages of simplex Xerox computer output for Agency components and internal use. This fall, advances in technology will allow PCB to convert the 1,569,800 pages of screenline it uses in its daily work to duplex Xerox. This will half the number of pages printed to 784,900 and result in an annual saving in the cost in materials of \$11,300.	0	\$85,000*	0	\$53,000*
Were it possible to convert all PCB produced output to duplex Xerox, an additional savings of \$41,700 in material costs could be effected annually.				

\*Annual savings

**SECRET**

## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Data Processing

Activity Description	Current Positions	\$	Savings Positions	\$
4. Reduction in Cost of Output Products				
The Production Control Branch (PCB) of ODP annually produces approximately 4,234,900 pages of screenline (continuous form) and 9,251,000 pages of simplex Xerox computer output for Agency com- ponents and internal use. This fall, advances in technology will allow PCB to convert the 1,569,800 pages of screenline it uses in its daily work to duplex Xerox. This will half the number of pages printed to 784,900 and result in an annual saving in the cost in materials of \$11,300.	0	\$85,000**	0	\$53,000**
Were it possible to convert all PCB produced output to duplex Xerox, an additional savings of \$41,700 in material costs could be effected annually.				

\*\*Annual Savings

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**SECRET**

**TAB**

**SECRET****CATEGORY III****FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE****Office of Security**

Activity Description	Current Positions	\$	Savings Positions	\$
1. "Blue Blazer" Protective Force				
We are inaugurating a program of supplementing the Federal Protective Office (FPO) with our own staff protective force in order to reduce the costs of protecting the [redacted] and the new [redacted]. This program, coupled with other adjustments in planned coverage, will cost \$89,000 vice the \$224,000 cost of an all FPO guard complement. The FY-1982 savings is \$135,000 with ongoing savings in future years. If the concept is validated through experience at these two initial locations, Security will expand the program to other carefully selected locations.		\$224,000		\$135,000

25X1  
25X1**2. SANCA Reprogramming**

The new SANCA will allow Clearance Division professional officers to issue certain types of approvals based upon a review of data displayed on a SANCA computer

[redacted]

25X1

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## CATEGORY III

**FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

## Office of Security

Activity Description	Current Positions	\$	Savings Positions	\$
terminal. By avoiding the creation of some 10,000 hard copy files annually, Security Records Division will save the cost of establishing, retrieving, and maintaining some 170 linear feet of records. The anticipated savings of \$30,000 includes eliminating [redacted] file clerk positions [redacted]				
[redacted] Furthermore, 170 linear feet of movable shelving which would have been required at [redacted] Building will not be needed. At \$27 per square foot, this equals \$4,590.				

## 3. Eliminate Key punch Activity

By using the names, dates and places of birth, social security numbers, security file numbers, etc., already captured in SANCA, later retyping of this data can be avoided. The Office of Security (OS) also intends to capture the information required to set up OS files from, for example, Office of Personnel data bases, thereby totally eliminating the need to key-in this information. We estimate that the initial phase of this program alone will eliminate [redacted] GS-06/3 keypunch slots (\$14,584 [full year] plus \$4,861 [1/3 year]) for an annual FY-1982 saving of over \$20,000.

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## CATEGORY III

**FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE**

(CONTINUED)

## Office of Security

Activity Description	Current Positions      \$	Savings Positions      \$
<b>4. Discontinue Communications Link</b>		
The Security Records Division will soon initiate a program of exchanging computer tapes with the Defense Control Investigative Index at Fort Holabird, thereby eliminating the need for the IBM Telecommunications link. This will save \$15,000 a year in equipment rentals.	\$15,000	\$15,000
<b>5. Personnel Security Initiatives</b>		
Applicant Investigation Expeditor Task Force.		\$573,000
In March 1980, the Office of Personnel (OP), in conjunction with the Office of Medical Services (OMS) and the Office of Security established a task force to screen out applicants who would probably be disapproved. This initiative prevents the expenditure of limited resources on questionable cases. At present, although the Personal History Statements of all prospective candidates are reviewed by the		

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

(CONTINUED)

## Office of Security

Activity Description	Current Positions	\$	Savings Positions	\$
<p>Security Task Force, only approximately 35 percent of the applicants are actually interviewed either telephonically or in person. The savings experienced even in the 35 percent currently interviewed are impressive, and we are hopeful of expanding the program. If the program were expanded to permit prescreening interviews of all applicants, direct savings to the OS of approximately \$573,000 would be realized. There would be additional savings to other components of the Agency, such as OP (less invitee travel), OMS (less physicals), and customer components (less resume review).</p>				
<p>6. Up-Front Polygraph</p>				
<p>Since the beginning of the pre-investigative or up-front polygraph, the OS has tested 46 Office of Communications (OC) applicants and 25 prospective career trainees who decided to discontinue their processing based on the polygraph results. Since field investigations were not conducted on these individuals, an estimated \$71,000 in investigative costs were avoided. We anticipate the up-front polygraph program to continue at least at this year's level through FY-1982, or even to increase. Some \$75,000 should, therefore, be saved next year.</p>	\$71,000		\$75,000+	

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## CATEGORY III

FUTURE EFFICIENCIES WITHOUT ADVERSE IMPACT ON SERVICE OR RESULTING  
IN IMPROVEMENTS IN SERVICE

## Office of Training and Education

Activity Description	Current Positions	\$	Savings Positions	\$
1. Elimination of POV Travel to <span style="border: 1px solid black; display: inline-block; width: 300px; height: 1.2em; vertical-align: middle;"></span>	0	\$35,170	0	\$27,000
<p>Eliminating POV travel to and from <span style="border: 1px solid black; display: inline-block; width: 40px; height: 1.2em; vertical-align: middle;"></span> by requiring students and staff to use <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> Government-owned vehicles would save an estimated \$12,000.</p>				
<p>In reality, it is planned to continue starting three courses on Sunday (Countering Terrorist Tactics Course, Mid-Career Course, Leadership Seminar) and to eliminate all Sunday conferences. Based on current costs, this will reflect a savings of \$15,000. Positions are not affected.</p>				
2. Putting Most Checking and Savings Account Funds for <span style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></span> into Bonds.	0	0	0	\$18,000
<p>Funds currently in checking and savings accounts for the <span style="border: 1px solid black; display: inline-block; width: 100px; height: 1.2em; vertical-align: middle;"></span> project could be invested in higher yield bonds and provide an additional income of \$18,000.</p>				

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